

**Opening Statement – Chair Alan S. Lowenthal  
Energy and Mineral Resources Subcommittee Legislative Hearing**

*Building Back Better: Creating Jobs and Reducing Pollution by  
Plugging and Reclaiming Orphaned Wells.*

H.R. 2415, Orphaned Well Cleanup and Jobs Act

**April 15, 2021**

The Subcommittee on Energy and Mineral Resources will come to order.

Good morning, or good afternoon, depending on where you are, and welcome to the Subcommittee.

We are meeting today to hear testimony on H.R. 2415, the Orphaned Well Cleanup and Jobs Act, introduced by my friend and colleague Representative Teresa Leger Fernández.

Under Committee Rule 4(f), any oral opening statements at hearings are limited to the Chair and the Ranking Minority Member or their designees. This will allow us to hear from our witnesses sooner and help Members keep to their schedules.

Therefore, I ask unanimous consent that all other Members' opening statements be made part of the hearing record if they are submitted to the Clerk by 5:00 pm today or the close of the hearing, whichever comes first; [PAUSE] hearing no objection, so ordered.

Without objection, the Chair may also declare a recess subject to the call of the Chair.

Without objection, the Member from California, Representative Brownley, and the Member from Wyoming, Representative Cheney, are authorized to question the witnesses in today's hearing.

As described in the notice, statements, documents, or motions must be submitted to the electronic repository at [HNRCdocs@mail.house.gov](mailto:HNRCdocs@mail.house.gov)

Additionally, please note that, as with in-person meetings, Members are responsible for their own microphones. As with our in-person meetings, Members can be muted by staff only to avoid inadvertent background noise.

Finally, Members or witnesses experiencing technical problems should inform committee staff immediately.

With that, I will begin my opening statement.

We are here today to talk about a proposal to clean up thousands of abandoned oil and gas wells that pockmark our landscape from coast to coast.

This is an idea that would have undeniably major benefits for the economy, the environment, and the climate, and could create tens of thousands of jobs.

It's an idea that we first discussed in this subcommittee nearly a full year ago, and that is now part of the President's American Jobs Plan.

Since the first U.S. oil well was drilled in 1859, companies have drilled literally millions more, which made the U.S. the largest producer of oil and natural gas for much of the petroleum age.

Once a well runs dry or is no longer economic to operate, the owner is required to properly plug and abandon it, so oil, gas, brine, and dangerous chemicals don't pollute the air or contaminate groundwater. Companies must also remove equipment from the surface and restore the land to its original condition. Unfortunately, when economic booms turn to busts, oil and gas companies often declare bankruptcy before cleaning up their messes, leaving landowners with the responsibility to deal with the hazardous and polluting wells left behind.

These wells then become known as orphaned wells, and there are a lot more out there than people realize.

During the early days of drilling in the U.S., the lack of environmental laws meant it was common for companies to simply walk away from unprofitable wells, and while we know of over 60,000 orphaned wells, there are estimates that say there could be hundreds of thousands more out there.

In recent decades, despite better environmental requirements, the number of orphaned wells has risen as companies go bankrupt, skirt legal requirements, or simply ignore their responsibilities.

To try to keep this from happening, regulators require companies to provide some type of financial assurance, such as a bond, that can be used to plug and reclaim a well if the company goes under.

But bond amounts are often significantly less than the actual costs to plug a well, meaning American taxpayers are left picking up the tab.

Take Pennsylvania, for instance. A single twenty-five thousand (25,000) dollar bond covers an unlimited number of a company's conventional wells in the state, despite the fact that twenty-five thousand dollars barely covers the cost of plugging a single well.

In Texas, companies with more than one hundred (100) wells provide a bond of two hundred and fifty thousand (250,000) dollars, which works out to only twenty-five hundred (2,500) dollars per well.

And on public land, a single one hundred and fifty thousand (150,000) dollar bond is enough to cover all of a company's wells in the entire country, even if that company has drilled thousands of wells.

With tens of thousands of orphaned wells comes a whole lot of pollution and safety hazards.

The EPA estimates abandoned wells in the U.S. are responsible for the same amount of greenhouse gas as 1.5 million cars driven for one year.

And according to research by one of today's witnesses, we are underestimating climate-warming methane emissions from abandoned wells by roughly 20 percent.

Abandoned wells also have been found to contaminate groundwater, and gas leaks have led to explosions and forced evacuations in Colorado, Pennsylvania, and Ohio.

But this is the United States. We can solve problems. We put men on the moon and developed multiple coronavirus vaccines within 12 months, speaking of which, everyone should get vaccinated as soon as they're eligible.

H.R. 2415 would help us solve our orphaned well problem while creating good-paying jobs.

The bill authorizes \$8 billion dollars over ten years for cleaning up orphaned wells on public, tribal, state, and privately-owned lands.

These funds will help reduce pollution, restore lands to their original state, and employ thousands of skilled workers across the country.

The bill is modeled on a successful program to clean up abandoned coal mines, which we had a hearing on just last month, where states are given money to address the highest priority problems within their borders.

H.R. 2415 will also help identify undocumented orphaned wells, support R&D efforts, and strengthen regulations on public lands to prevent future orphaned wells, or at least keep taxpayers from having to foot the bill again.

The Biden administration understands the potential of this program to help employ oil and gas workers, and there has been bipartisan support for this exact concept.

That's why two weeks ago, when President Biden released his *American Jobs Plan*, he called on Congress to invest billions of dollars in this work because plugging these wells is a win for workers, communities, and the environment.

I couldn't agree more, and I'm thrilled to support H.R. 2415.

With that, I look forward to the testimony from our witnesses, and I now recognize Ranking Member Stauber for his opening statement.